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Maryland
Department of Economic & Employment Development

LABOR MARKET DIMENSIONS

A Monthly Report on the Dynamics of the Labor Market in Maryland

October, 1988

MARYLAND DEPARTMENT OF ECONOMIC AND EMPLOYMENT DEVELOPMENT
OFFICE OF LABOR MARKET ANALYSIS AND INFORMATION
1100 North Eutaw Street
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Governor

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Secretary

LABOR MARKET DIMENSIONS
OCTOBER, 1988

MARYLAND

UNEMPLOYMENT HEADS UP

Maryland's unemployment rate, which had been holding steady at 4.2 percent since July, moved upward by 0.4 percentage points to register 4.6 percent in October. The increase in the October jobless rate is quite atypical when likened to the labor market experience of prior years. Last year, for example, the statewide unemployment rate declined slightly during October. Since the impact of seasonality on monthly unemployment estimates often extends beyond the scope of normal expectations, it is much too early to predict with any certainty whether the movement in October's labor market activity is merely an inexplicable aberration or the beginning of a trend.

The statewide labor force, after declining by nearly 10,000 persons in September, headed back up in October with the addition of an estimated 17,312 persons. Although employment also climbed to a level of 2,364,230, the increasing job demands created by a rapidly expanding labor force undermined the monthly employment gains of 5,441 persons. The interaction of these forces increased the unemployment burden, causing the statewide jobless rolls to rise to 114,969 in October, up from 103,098 in September.

	October 1988	September 1988	October 1987
Civilian Labor Force	2,479,199	2,461,887	2,413,101
Total Employment	2,364,230	2,358,789	2,321,156
Total Unemployment	114,969	103,098	91,945
Unemployment Rate	4.6	4.2	3.8
National Civilian Unemployment Rate	5.0	5.2	5.7

In spite of the increase in the jobless rate during October, the overall economic performance in the state during 1988 has been encouraging. Since January, 1988, residential employment has risen by nearly 85,000 workers and the jobless count has declined by an estimated 8,900 persons.

On average, jobseekers across the nation fared slightly better than those in Maryland during October. Over the month, the number of American workers rose by 776,000 persons. Meanwhile, the national jobless rolls declined by 186,000 persons, signaling a drop in the unemployment rate from 5.2 percent in September to 5.0 percent in October.

OCTOBER'S FORECAST MIXED BY UPS AND DOWNS

Maryland's survey of businesses showed an average rise of an estimated 11,600 jobs during October. Continuing recall activity in education provided the primary impetus for this increase, however, job gains were scattered throughout the industrial spectrum.

Services, although a distant second to state and local government in terms of employment expansion, added an estimated 1,700 jobs during October. While seasonal declines continued to taper payrolls in hotels, amusement services, and agricultural services, recall activity in educational services and increased hiring in personal, business, and health services more than compensated for these seasonal layoffs.

Employment in construction also advanced during October, following closely behind services with a gain of 1,500 jobs. Within the industry, however, performance was mixed. Although activity on heavy construction projects began to wind down in anticipation of the upcoming winter season, the overall performance of the sector was determined by an increase in hiring activity among special trade contractors.

During October, employment in trade establishments dropped back by 100 jobs. In eating and drinking establishments, the culmination of summer layoffs was, in large part, responsible for the loss of slightly more than 2,800 jobs. The full impact of these losses, however, was cushioned by the onset of pre-holiday hiring in general merchandise and apparel stores. Additional hiring also occurred in food stores and furniture and home furnishing stores.

Meanwhile, in the finance, insurance, and real estate sector, the seasonal slump in real estate activity contributed to an overall industry decline of 600 jobs during October.

Manufacturing also had its share of winners and lossers during October. The industry as a whole posted losses of 600 jobs. At the same time, both the hourly and weekly earnings of the industry's production workers remained unchanged over the month. Cutbacks in primary metals, transportation equipment, nonelectrical machinery, and food and kindred products contributed to a downswing in October. The depth of the overall decline in manufacturing, however, was minimized somewhat by gains in electronic equipment, printing and publishing, and rubber and plastic products.

MARYLAND
NONAGRICULTURAL PAYROLL EMPLOYMENT[1] BY INDUSTRY
BY PLACE OF EMPLOYMENT
(in thousands)

OCTOBER 1988

Major Industry Grouping	October 1988	September 1988	October 1987
Total Nonagricultural Employment	2,069.1	2,057.5	2,043.2
Manufacturing	207.2	207.6	207.6
Durable Goods	108.6	109.0	110.4
Nondurable Goods	98.6	98.6	97.2
Nonmanufacturing	1,861.9	1,849.9	1,835.6
Mining	1.9	1.9	1.9
Construction	158.9	157.4	157.0
Transportation & Public Utilities	94.0	94.1	93.7
Wholesale & Retail Trade	525.5	525.6	522.7
Wholesale Trade	110.7	110.7	110.7
Retail Trade	414.8	414.9	412.0
Finance, Insurance & Real Estate	128.0	128.6	125.5
Services	553.1	551.4	543.0
Total Government	400.5	390.9	391.8
Federal	127.7	127.8	128.7
State	92.6	91.0	91.2
Local	180.2	172.1	171.9

[1]The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

Additional industry detail available upon request.
Current data preliminary; previous month revised.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

REGIONAL ECONOMICS

BALTIMORE METROPOLITAN AREA

During October, nearly two-thirds of the statewide increase in unemployment was reflected in the Baltimore Metropolitan Area. The increase in the BMA's jobless rolls occurred despite a gain of nearly 2,600 in the number of workers recorded between September and October. For the region as a whole, joblessness rose from 4.6 percent to 5.2 percent. All of the region's local jurisdictions, with the exception of Queen Anne's County where unemployment held steady at 3.0 percent, experienced increased joblessness. During October, layoffs were noted in manufacturing and services, however, these losses were countered by gains in education, retail trade, and construction.

MARYLAND'S D.C. SUBURBS

In Maryland's D.C. suburbs, unemployment also advanced, but to a much lesser degree. Joblessness in the region reached 3.4 percent in October, up from 3.2 percent in September. Although seasonal declines did blot the region's industrial payrolls, the full impact of these declines was cushioned somewhat by increased hiring activity in trucking, general merchandise stores and apparel stores, special trade contractors, business services, and state and local education.

WESTERN MARYLAND

Labor market activity in Western Maryland during October also showed signs of increasing joblessness. Over the month, the addition of an estimated 249 workers to the region's jobless rolls caused the area's unemployment rate to rise to 7.0 percent in October, up from 6.8 percent in September. Last year's estimate was slightly lower at 6.7 percent. Seasonal employment declines impacted negatively upon performance in the region's services sector during October. Losses were also noted in manufacturing, particularly in apparel and textiles and in leather products. On the up side, recall activity continued to boost employment in educational institutions and construction payrolls added 100+ jobs over the month.

BALANCE OF STATE

Joblessness in the Balance of State left 5.9 percent of the area's work force idle during October, up from 5.0 percent in September. The region's industrial payrolls declined by an estimated 1,200 jobs during October, with losses most pronounced in eating and drinking places, hotels, and amusement services. Unemployment escalated in all of the shore counties, with the exception of Cecil and Kent. Somerset and Worcester, the counties in the region most affected by seasonal employment related to tourism, agriculture, and outdoor related activities, experienced the largest increases in jobless rates. In Worcester, in particular, the final wrap-up of seasonal activity in Ocean City caused the jobless rate to rise to 7.7 percent, more than doubling that of 3.6 percent recorded in September.

NONAGRICULTURAL PAYROLL EMPLOYMENT1 BY INDUSTRY - BY PLACE OF EMPLOYMENT
(in thousands)
BY REGION--OCTOBER 1988

Major Industry Grouping	Baltimore Metropolitan Area		Maryland Portion D.C. Suburbs		Western Maryland		Balance of State	
	Oct. 1988	Sept.1988	Oct. 1988	Sept.1988	Oct. 1988	Sept.1988	Oct. 1988	Sept.1988
Total Nonagricultural Employment	1101.8	1093.2	737.0	730.0	85.4	85.4	137.8	139.0
Manufacturing	130.8	130.9	36.0	35.8	16.2	16.3	24.2	24.4
Durable Goods	72.8	73.1	18.6	18.4	7.4	7.4	8.8	8.9
Nondurable Goods	58.0	57.8	17.4	17.4	8.8	8.9	15.4	15.5
Nonmanufacturing	971.0	962.3	701.0	694.2	69.2	69.1	113.6	114.6
Construction	76.0	75.7	64.4	63.9	6.1	6.0	10.1	10.1
Transportation & Public Utilities	53.2	53.3	28.1	27.7	5.3	5.3	7.4	7.4
Wholesale and Retail Trade	271.7	269.3	195.8	194.2	23.6	23.6	37.7	38.2
Wholesale Trade	64.9	64.8	35.2	35.3	-	-	-	-
Retail Trade	206.8	204.5	160.6	158.9	-	-	-	-
Finance, Insurance & Real Estate	75.5	75.6	43.0	43.1	3.1	3.1	5.2	5.2
Services and Mining	291.1	291.5	213.3	213.1	18.6	19.0	29.2	30.4
Total Government	203.5	196.9	156.4	152.2	12.5	12.1	24.0	23.3
Federal	49.3	49.6	67.6	67.6	1.7	1.7	6.1	6.1
State	62.6	63.0	19.8	18.4	3.9	3.9	4.9	4.5
Local	91.6	84.3	69.0	66.2	6.9	6.5	13.0	12.7

1The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

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STATE OF MARYLAND
CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
BY PLACE OF RESIDENCE

OCTOBER, 1988

AREA	CIVILIAN LABOR FORCE		EMPLOYMENT		UNEMPLOYMENT		UNEMPLOYMENT RATE		
	OCTOBER	SEPTEMBER*	OCTOBER	SEPTEMBER*	OCTOBER	SEPTEMBER*	OCTOBER	SEPTEMBER*	OCT.'87
MARYLAND	2,479,199	2,461,887	2,364,230	2,358,789	114,969	103,098	4.6	4.2	3.8
BALTIMORE METROPOLITAN AREA	1,189,492	1,179,289	1,127,538	1,124,940	61,954	54,349	5.2	4.6	4.2
BALTIMORE CITY	350,360	346,206	322,518	321,775	27,842	24,431	7.9	7.1	6.6
ANNE ARUNDEL	211,268	209,795	203,798	203,329	7,470	6,466	3.5	3.1	2.9
BALTIMORE	386,514	383,309	368,487	367,638	18,027	15,671	4.7	4.1	3.6
CARROLL	59,483	59,199	57,823	57,689	1,660	1,510	2.8	2.6	3.1
HARFORD	78,648	78,201	74,925	74,752	3,723	3,449	4.7	4.4	3.5
HOWARD	88,428	87,815	85,634	85,436	2,794	2,379	3.2	2.7	2.2
QUEEN ANNE'S	14,791	14,762	14,353	14,320	438	442	3.0	3.0	2.6
D. C. AREA	982,384	977,746	948,550	946,017	33,834	31,729	3.4	3.2	2.8
CALVERT	21,914	21,763	20,987	20,931	927	832	4.2	3.8	3.7
CHARLES	45,926	45,709	44,450	44,332	1,476	1,377	3.2	3.0	2.7
FREDERICK	74,103	73,800	71,958	71,766	2,145	2,034	2.9	2.8	3.0
MONTGOMERY	416,918	415,270	404,969	403,888	11,949	11,382	2.9	2.7	2.3
PRINCE GEORGE'S	423,521	421,206	406,185	405,101	17,336	16,105	4.1	3.8	3.3
WESTERN MARYLAND	99,966	99,560	92,977	92,820	6,989	6,740	7.0	6.8	6.7
ALLEGANY	31,980	31,910	29,225	29,213	2,755	2,697	8.6	8.5	9.3
GARRETT	12,265	12,135	11,251	11,189	1,014	946	8.3	7.8	6.7
WASHINGTON	55,721	55,515	52,501	52,418	3,220	3,097	5.8	5.6	5.3
BALANCE OF STATE	207,355	205,292	195,164	195,012	12,191	10,280	5.9	5.0	4.7
CAROLINE	14,376	14,094	13,631	13,631	745	463	5.2	3.3	3.7
CECIL	34,735	34,686	32,580	32,231	2,155	2,455	6.2	7.1	5.0
DORCHESTER	17,727	17,414	16,624	16,538	1,103	876	6.2	5.0	4.3
KENT	9,706	9,349	9,322	8,825	384	524	4.0	5.6	3.9
ST. MARY'S	37,671	36,458	35,740	34,661	1,931	1,797	5.1	4.9	3.9
SOMERSET	11,763	11,539	10,812	10,775	951	764	8.1	6.6	6.5
TALBOT	17,409	16,447	16,670	16,071	739	376	4.2	2.3	3.0
WICOMICO	42,717	41,249	40,174	39,079	2,543	2,170	6.0	5.3	5.0
WORCESTER	21,251	24,056	19,611	23,201	1,640	855	7.7	3.6	6.8
[1] UNITED STATES	122,432,000	121,842,000	116,250,000	115,474,000	6,182,000	6,368,000	5.0	5.2	5.7

*Estimates for the state are revised.

[1] Source: U. S. Department of Labor, Bureau of Labor Statistics

NOTE: Figures may not add due to rounding. These are estimates relating to the week of the 12th of each month. The count is of persons not jobs. All data are not seasonally adjusted.

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